COAL of AFRICA LIMITED

ANNOUNCEMENT **14 December 2012**

Director Share Purchase

Coal of Africa Limited ("the Company") advises that on 12 December 2012 John Wallington, the Chief Executive Officer of the Company acquired 60,000 shares at an average of price of 1.64 Rand (11.8p).

Following this acquisition Mr Wallington is now the beneficial owner of 310,000 shares representing 0.04% of Company's issued share capital.

For more information contact:

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Investec Bank Limited is the nominated JSE Sponsor

About CoAL:

CoAL is an AIM/ASX/JSE listed coal exploration, development and mining company operating in South Africa. CoAL's key projects include the Vele Colliery (coking and thermal coal), the Greater Soutpansberg Project, including CoAL's Makhado Project (coking coal) and the Mooiplaats and Woestalleen Collieries (both thermal coal).